

From: Wayne Hedberg
To: minerals
Date: Thursday, October 19, 1995 9:08 am
Subject: GARDNER CYN. MINE - STATUS UPDATE

MARK SENSIBAUGH CALLED ME THIS MORNING AGAIN ASKING IF THERE WAS ANY WAY WE COULD REQUIRE BOB STEEL TO FILE A LARGE MINE PERMIT APPLICATION, BEFORE HE STARTS OPERATING UNDER HIS SMO PERMIT AT THE GARDNER CANYON SITE. I TOLD HIM THAT WE COULD NOT DO THIS BEFORE MR. STEELE EXCEEDS THE 5-ACRE THRESHOLD.

HE INDICATED THAT MR. STEELE'S ATTORNEY'S HAVE BEEN CALLING USFS LATELY REGARDING THE CONTINUED DELAYS IN ALLOWING THEM TO START UP THE OPERATION. APPARENTLY MR. STEELE HAS FILED A \$16 MILLION DOLLAR LAWSUIT AGAINST THE FOREST SERVICE. THIS IS BASED UPON MR. STEELE'S ALLEDGED LOST REVENUE FROM THIS MINE DUE TO THE USFS DELAYS AND UNREASONABLE PERMITTING REQUIREMENTS.

USFS IS NOW CALCULATING A BOND FOR OPERATION AS PROPOSED UNDER MR. STEELE'S ORIGINAL NOTICE (@100,000 TONS/YR). EVENTUALLY THEY WILL BE ISSUEING A SPECIAL USE PERMIT FOR THIS OPERATION. MARK INDICATED THAT MR. STEELE HAS STATED HE WILL NEED TO DO SIGNIFICANT IMPROVEMENTS/WIDENING OF THE EXISTING ACCESS ROAD (UP TO 30 FT. WIDTH?). MARK ASKED IF WE WILL TAKE ACTION TO SHUT DOWN MR. STEELE'S OPERATION ONCE HE EXCEEDS THE 5 ACRE THRESHOLD AND REQUIRE A LMO. I TOLD HIM IF THAT ACTION WAS WARRANTED, WE HAVE THE AUTHORITY TO ENFORCE SAME.

HE WANTS TO SCHEDULE AN ONSITE VISIT WITH MR. STEELE (AND US) BEFORE OPERATIONS COMMENCE SO WE CAN HAVE MR. STEELE EXPLAIN ONE LAST TIME WHAT HE PLANS ON DOING. I TOLD HIM WE COULD SEND SOMEONE DOWN TO PARTICIPATE IN THE INSPECTION. THIS MAY OCCUR WITHIN THE NEXT WEEK OR TWO. HE'LL GIVE US AS MUCH ADVANCE NOTICE AS POSSIBLE.

THIS MEMO WILL BE COPIED TO THE MINE FILE - M023/015

CC: LBRAXTON